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CENTRAL INTELLIGENCE AGENCY  
**INFORMATION REPORT**

COUNTRY China

SUBJECT Conditions in Lun Kwi Li, Kwangtung Province

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1. I still receive letters on a regular basis from a sister now living in Hong Kong who is able to receive news occasionally concerning conditions in our home village of [REDACTED] Kwangtung Province, where our mother and many of our relatives are still living.
2. In her last few letters my sister has informed me that conditions are going from bad to worse as far as shortages of foodstuffs are concerned. For example, as of 1954 such things as cooking oil, rice and meat are strictly rationed and the quota for one person is only three ounces of cooking oil and 12 ounces of meat per month. Rice is also very short and the ration is only four ounces of rice per day per person.
3. It is not possible for the people to keep food in their homes, and even farmers cannot hide anything because they are not permitted to cut their crops without government witnesses being present to see exactly what is being obtained and to make sure that 100% of government quota is received.
4. The farmers are having a terrible time because if they are unable to meet their quotas they are accused of having stolen part of the crop or of deliberately sabotaging production and they are forced to go out and buy the amount of produce that they are short as far as the quota is concerned.
5. Unfavorable growing conditions are no excuse as the Communist officials will tell the farmer that others have met their quotas and obviously the farmer is attempting to cheat the government if he does not meet his quota.
6. My sister told me that prices have not gone up very much, primarily because there is no money. All the small privately owned stores in the area have been put out of business and the Communist government now sells all of the foodstuffs.
7. The farmers have to sell all of their produce to the government at a very low price and in turn buy foodstuffs back from the government at a price equivalent to twice the price that the government paid for it. The situation has become

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so bad that many farmers who had been given small pieces of ground after the Communists came in have left their farms.

8. It is interesting to note that landlords, who were the first to feel the harsh effects of Communist control, are now assuming positions of some importance again in connection with the controls over the farmers. This situation arose because the landlords originally were completely stripped of all possessions and became absolutely "broke". Having nothing they now sit on the tribunals which try the farmers to whom their land was given and sentence them for lack of achievement in meeting their quotas and for "cheating the state".
9. In addition to the serious shortages of all foodstuffs, what little the people are able to get frequently is stolen from them by the soldiers who were wounded in Korea, many of whom are crippled or are crazy. When the people complain to the police the police refuse to do anything and say that the people should excuse the soldiers because they have suffered so much and because so many of them are mentally unbalanced.
10. My sister also told me that there are supposed to be "lots" of Soviet soldiers in the area who are used to train the Chinese Communist army and airforce. The Soviets are kept in restricted areas although they have a lot of money.
11. The Chinese bitterly resent the quotas because certain quotas of "canteen girls" must be met to be sent to the Soviet quarters. Most of these young girls are taken from schools.
12. It is reported that there are a lot of airports being built in Kwangtung Province, but I have no further details.
13. It is required that all of the people buy bonds with their small earnings. When they earn money it is necessary for them to put it in a Communist bank, but when they want to draw any money out they are given a very severe interrogation and are not permitted to draw out more than 10% of the deposit. They are told they do not need any money as the government takes care of them.
14. Government controls are also tight on any sort of casual meetings. For example, people are not even permitted to talk to old friends on the street.
15. I recently received a letter indirectly from a cousin who lives in [redacted] and he told me that on the Chinese New Year he wanted to have an exceptionally good meal for his family of four. According to the quotas on cooking oil he would be entitled to 12 ounces, a month's quota of cooking oil for this size family. He waited in line all night long until 12:00 A.M. for the cooking oil but was only given three ounces. However, he said he was very happy because a lot of people who stood behind him did not get anything because the supply ran out.
16. My cousin said the Russians get all the peanut oil so the Communists are trying to extract oil from rice shells, and he said out of 100 pounds of rice shells it is possible to obtain seven to eight pounds of oil. He said the Communists tell the people that the rice oil is much better for them and has many more vitamins than the peanut oil.
17. He also said that there is absolutely no soap available and people are using ashes to wash their hands and faces.
18. Strong emphasis is still being placed on attempting to teach children to disregard orders of their fathers and mothers and other older members of the family. They are told that "your mother and father are not important, the government is important." They are also told that if they tell the authorities of the conversations of their parents they will be highly honored. This program is meeting with considerable success.

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19. For example, I heard about a friend of mine who is a rather old man. He hid a little money in a hole he dug in the floor of his home. His children told the Communist authorities and he was arrested, beaten, and sentenced to jail. The Communists demanded to know why he hid his money because the money did not belong to him, it belonged to the country.
20. Sentence in such cases depends on a person's previous record of cooperating with the Communists. About the only way a light sentence can be obtained is for the "criminal" to say he was just saving a few pieces of money as souvenirs.
21. Children are also being told that it is honorable to hit their fathers and mothers if they fail to please them in any way.
22. School girls are told that it is their duty to give up everything for the government and immorality is being discouraged. All the illegitimate children are taken away because they belong to the country. The girls are told that the "daddy" of the children is Mao Tse-tung. The children are known as "Mr Mao's".
23. Information that I have received indicates that the streets of the towns and villages are clean but this is due to the fact that there is great unemployment and there is nothing else for people to do.
24. Since food is short the government does not feed prisoners and it is up to the families of the prisoners to bring them food. If a prisoner's family does not share its food with him he soon becomes a very dead prisoner.
25. Soldiers are not fed by the government but are assigned to live with families. One or two soldiers live with a family and the family must share its food.
26. Many of the soldiers in Kwangtung Province are from Northern China. It is said that one of the main reasons why food is so short is because the Chinese Red army is so big. There are supposed to be five hundred divisions, which means that there are that many less young men working in the fields to produce food.
27. The people hate Communism but they are losing hope as far as any possibilities of change are concerned.

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